

KENTUCKY REAL ESTATE APPRAISERS BOARD

TYPE OF MEETING

Regular Meeting

DATE AND LOCATION

November 20, 2008 – Board Office

PRESIDING OFFICER

J.W. Grabeel, Chair

ROLL CALL

Present:

J.W. Grabeel, Chair
Loren C. Huff, Vice Chair
Dorsey Hall, Board Member
Theresa Marshall, Board Member
Paul Moore, Board Member

Present Also:

Larry Disney, Executive Director
Angie Thomas, Staff Assistant
James Grawe, Board Counsel
Dennis Badger, Investigator
Tom Veit, Investigator

Chair, J.W. Grabeel opened the meeting by welcoming the entire guest. The guests in attendance were Andy Peak, Jason Ferris and Ms. Wood.

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously approved the October 24, 2008 minutes.

EDUCATION

Motion by Paul Moore, second by Theresa Marshall and the Board unanimously agreed to approve the following education courses for fiscal year 2008-09:

- (1) Appraisal Educators – Four (4) continuing education courses:
 - (a) 115 – Mortgage Fraud: A Dangerous Business – 7 hours
 - (b) 117 – USPAP Advisory Opinions 2008-09 – 7 hours
 - (c) 106 – USPAP Frequently Asked Questions 2008-09 – 7 hours
 - (d) 105A – National USPAP Update Course – 7 hours

- (2) Just Valuation Inc. (JVI) – One (1) continuing education course:
 - (a) Appraising REO Properties – 7 hours
- (3) Appraisal Institute – Bluegrass Chapter – One (1) continuing education course:
 - (a) Understanding & Test DCF Valuation Models – 4 hours
- (4) Appraisal Institute – One (1) classroom CE and one (1) online CE courses:
 - (a) Appraising Distressed Commercial Real Estate – 7 hours classroom CE
 - (b) Online Subdivision Valuation – 7 hours online CE

EXPERIENCE

Motion by Loren Huff, second by Dorsey Hall and the Board unanimously agreed to accept the following:

- (1) Winston R. Burdette – Approve experience for Certified General
- (2) Michelle Butler – Approve experience for Certified Residential
- (3) Linda Riggle – Approve experience for Certified Residential
- (4) Darin M. Sizemore – Approve experience for Certified General

Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to reject the following:

- (1) Eric R. Fegan – Reject experience for Certified General – Request to contact office to discuss appraisal reports
- (2) Chris Richardson – Reject experience for Certified Residential – Request to contact office to discuss appraisal reports.

CERTIFICATION/LICENSURE

Motion by Dorsey Hall, second by Loren Huff and the Board voted to approve a total of eleven (11) individuals for certification/licensure.

- (1) Winston R. Burdette – Certified General
- (2) Michelle Butler – Certified Residential
- (3) Ardalan Fathi – Certified General – Reciprocal with Georgia
- (4) James O. DeAtley – Certified General – Reciprocal with Ohio
- (5) Christopher A. Berning – Certified Residential – Reciprocal with Ohio
- (6) Thomas L. Johnston – Certified General – Reciprocal with Illinois
- (7) John R. Nolan – Certified General – Reciprocal with Illinois
- (8) Richard A. Riedling – Associate
- (9) Linda Riggle – Certified Residential
- (10) Darin Sizemore – Certified General
- (11) Lee Eugene Stringfellow – Certified General - Arkansas

COMPLAINT

A. Dennis Badger – Report on the contractor activities

B. The Board was advised there have been a total of 88 cases filed for 2008.

C. Agreed Orders:

A. Pending Cases

- (1) Case No. 07-64 – Grievant: KREAB
Respondent: Joe D. Weddington, Jr.
Motion by Dorsey Hall, second by Theresa Marshall and the Board agreed to file a formal complaint and set for a hearing.
- (2) Case No. 07-65 – Grievant: KREAB
Respondent: Joe D. Weddington, Jr.
Motion by Paul Moore, second by Loren Huff and the Board agreed to file a formal complaint and set for a hearing.
- (3) Case No. 07-66 – Grievant: KREAB
Respondent: Joe D. Weddington, Jr.
Motion by Theresa Marshall, second by Dorsey Hall and the Board agreed to file a formal complaint and set for a hearing.
- (4) Case No. 07-67 – Grievant: KREAB
Respondent: Joe D. Weddington, Jr.
Motion by Paul Moore, second by Theresa Marshall and the Board agreed to file a formal complaint and set for a hearing.
- (5) Case No. 08-11- Grievant: KREAB
Respondent: J. Robert Ford
Motion by Dorsey Hall, second by Loren Huff and the Board agreed to file a formal complaint and set for a hearing.
- (6) Case Nos. 08-28 and 08-41 – Grievant: KREAB
Respondent: Bryan Bernardi
Respondent did not renew June 30, 2008
Motion by Theresa Marshall, second by Paul Moore and the Board agreed dismiss without prejudice with leave to reinstate should he ever apply for a real property appraiser credential in Kentucky.
- (7) Case No. 05-73 – Grievant: KREAB
Respondent: Elnoria Wyatt
Respondent did not renew June 30, 2008
Motion by Dorsey Hall, second by Paul Moore and the Board agreed dismiss without prejudice with leave to reinstate should she ever apply for a real property appraiser credential in Kentucky.

- (8) Case No. 07-44 – Grievant: KREAB
Respondent: William J. Barrow, II
Respondent did not renew June 30, 2008
Motion by Theresa Marshall, second by Loren Huff and the Board agreed to dismiss without prejudice with leave to reinstate should he ever apply for a real property appraiser credential in Kentucky.
- (9) Case No. 08-28 – Grievant: KREAB
Respondent: Brian Dobson
Motion by Paul Moore, second by Dorsey Hall and the Board agreed to file a formal complaint and set for a hearing.
- (10) Case No. 07-63 – Grievant: KREAB
Respondent: Johnny S. Johnson
Motion by Theresa Marshall, second by Loren Huff and the Board agreed to file a formal complaint and set for a hearing.
- (11) Case No. 08-47 – Grievant: KREAB
Respondent: Mark Gilliam
Motion by Dorsey Hall, second by Paul Moore and the Board agreed to file a formal complaint and set for a hearing.
- (12) Case No. 07-24 – Grievant: KREAB
Respondent: Joe Weddington, Jr.
Motion by Theresa Marshall, second by Paul Moore and the Board agreed to file a formal complaint and set for a hearing.
- (13) Case No. 07-40 – Grievant: KREAB
Respondents: Matt Miniard & William Michael Ousley
Motion by Paul Moore, second by Loren Huff and the Board agreed to file a formal complaint and set for a hearing.
- (14) Case No. 07-51 – Grievant: KREAB
Respondents: Donald Pierce & Gerald Florence
Paul Moore and Dorsey Hall recused themselves from discussion. Motion by Loren Huff, second by Theresa Marshall and the Board agreed to file a formal complaint and set for a hearing.
- (15) Case No. 07-57 – Grievant: Jeffrey M. Vance
Respondent: Kelvin Yamaguchi
Motion by Dorsey Hall, second by Paul Moore and the Board agreed to dismiss the case.
- (16) Case No. 08-42 – Grievant: KREAB
Respondent: Matt Miniard
Motion by Paul Moore, second by Theresa Marshall and the Board agreed to file a formal complaint and set for a hearing.

- (3) Case Nos. 08-01, 08-02, 08-03, 08-04, 08-05, 08-06, 08-07, 08-08, 08-09, 08-10

Grievant: KREAB

Respondent: Angela Royalty

Motion by Dorsey Hall, second by Paul Moore and the Board agreed to accept the agreed order, whereby,

- (a) Royalty agrees to immediately cease real property appraising in Kentucky, and surrender your Kentucky Certified Real Property Appraiser credential number 002689.
- (b) Royalty agrees to not attempt to apply for a real property appraisal credential in Kentucky for three (3) years from the date of the agreed order being accepted by the Board. Also, if you "ever" request a Kentucky real property appraisal credential in the future, the agreed order shall contain language that although the ten (10) cases are being dismissed, the Board shall retain leave to reinstate the cases and set the matters for a formal hearing prior to your application being considered.
- (c) If Royalty agrees to the order, the Board staff shall submit your name to The Appraisal Subcommittee (ASC) with a note that immediately you are not available for real property appraisal assignments intended for Federally Related Loan transactions or Real Estate Related Loan Transactions because of your voluntarily credential surrender to the State of Kentucky.
- (d) If Royalty agrees with the above terms, and if you sign the enclosed agreed order, the order shall contain language of an Alford plea, indicating that you do not admit the act(s) and assert your innocence, but you do admit that sufficient evidence exists for the KREAB to find that you violated USPAP and all or part(s) of KRS 324A.050.

The Board denied the request of Ms. Royalty concerning her name being placed in the KREAB newsletter. The Board agreed the name will appear in the newsletter.

- (4) Case No. 07-75 – Grievant: KREAB

Respondent: Darrell W. Muncy, II

Motion by Theresa Marshall, second by Dorsey Hall and the Board rejected the agreed order and voted to add a fine of \$100.00.

- (5) Case No. 07-74 – Grievant: KREAB

Respondent: Richard Beckley

Motion by Paul Moore, second by Dorsey Hall and the Board agreed to accept the agreed order, whereby,

- (a) Beckley shall be fined the sum of \$500.00 with total amount due by December 31, 2008. Terms of \$250.00 shall be paid with the Agreed Order and the additional \$250.00 shall be paid no later than December 31, 2008.
- (b) Beckley shall complete a 3 hour ANSI Standards Course and a 15 hour Residential Sales Comparison course with successful completion of the examination. Said 18 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by December 31, 2008.
- (c) Beckley agrees that the Board shall have the right to review files for a period of two years from the date of the agreed order.

(6) Case No. 07-43 – Grievant: KREAB

Respondent: Stephen A. Friderich

Motion by Dorsey Hall, second by Loren Huff and the Board rejected the agreed order and voted to add a fine of \$100.00.

(7) Case No. 07-43 – Grievant: KREAB

Respondent: Ann M. Pipes

Motion by Dorsey Hall, second by Loren Huff and the Board rejected the agreed order and voted to add a fine of \$100.00.

Motion by Dorsey Hall, second by Paul Moore and the Board agreed that if the respondents for Case Nos. 07-75 (Darrell Muncy) and 07-43 (Ann Pipes and Stephen Friderich) agree to pay the fine, the cases can be finalized and be submitted to the Board at the December Board meeting.

MISCELLANEOUS

- A. Appraisal Management Company Model Legislation – The Board agreed to explore the possibility of regulating AMC's.
- B. A Pass Weikel – Instructor Tom Allen – Motion by Theresa Marshall, second by Paul Moore and the Board voted unanimously to send of Letter of Reprimand to Tom Allen. The Board also agreed to send a letter to A Pass Weikel and inform them their courses are not approved until they have obtained another instructor and that instructor has been approved by the KREAB.
- C. Sherry Lynn Spalding request for experience credit – No Comment or action were taken on this matter.
- D. 2009 Holidays for State Personnel
- E. Copier Lease – Lease contract expiring on copier. The Board was approved by Finance to renew lease and upgrade copier to newer model. The difference in the cost of colored copies was less than current lease which will give the Board an approximate savings of \$2,100 per year. The lease was approved for Konica Minolta (Board approved vendor).
- F. Comment for Exposure Draft of "Criteria Applicable to All Appraiser Qualifications (2008 Criteria and Exposure Draft).
- G. Board discussion on individuals going from Certified Residential to Certified General without supervisor.
- H. Regulation 201 KAR 30:010 and 30:030 to be heard December 9, 2008 – 10:00 a.m. – Motion by Paul Moore, second by Theresa Marshall and the Board gives Larry the authority to attend the regulation hearings on behalf of the Board.
- I. Ms. Wood presented information to the Board about an appraiser.
- J. The Board agreed to have a luncheon catered for the December Board meeting.
- K. The Board was notified that Janie Gross will be retiring on December 31, 2008.

NEW BUSINESS

- A. Hearing – Mark T. McDonald – Friday, December 19, 2008 at 9:00 a.m.
- B. December Board Meeting – Immediately following the hearing
- C. Hearing – Joe Weddington – Friday, January 8, 2009 at 9:00 a.m.
- D. Appraisal Subcommittee Review – March 25, 26, & 27, 2009

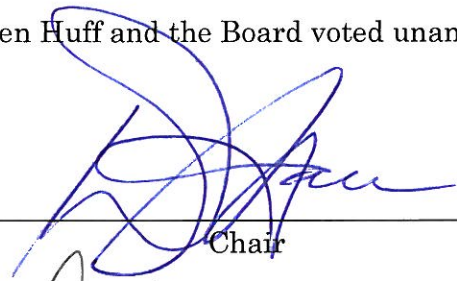
Motion by Dorsey Hall, second by Paul Moore and the Board voted unanimously to go into close session.

After discussion on Case No. 07-09 – Quinton Durham, a motion was made by Paul Moore and a second by Loren Huff and the Board approved the final order as written, whereby Mr. Durham shall pay a fine to the Kentucky Real Estate Appraisers Board in the amount of \$2,000.00 within 30 days of this final order. No license, certificate, or temporary permit will be issued by the Board to Mr. Durham until the fine is paid. The remaining charges in the complaint against Mr. Durham are dismissed.

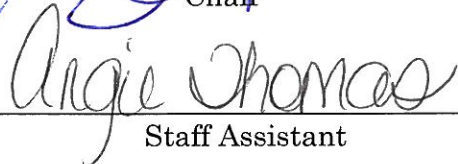
Motion by Theresa Marshall, second by Paul Moore and the Board voted to return to open session.

The next Board meeting is scheduled for Friday, December 19, 2008, immediately following a hearing at the Board office.

Motion by Paul Moore, second by Loren Huff and the Board voted unanimously to adjourn the meeting.



Chair



Angie Thomas
Staff Assistant